GOV
DOC
CA2
AL
AEM180
A56
1986/1987

GOV PUB

CA2 AL AEM180 A56

ANNUAL REPORT 1986-87

MOUNT ROYAL COLLEGE

MOUNT ROYAL COLLEGE

BOARD AND COMMITTEES

Board of Governors

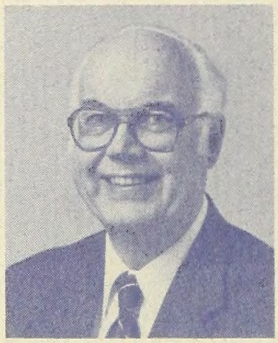
Roy V. Deyell, Q.C., Chairman
B. Jean Fraser, Vice-Chairman
Donald N. Baker, President
Edward R.R. Carruthers, Q.C.
Phyllis M. Laidlow
Ralph E. Langemann
Donald W. McDonald
(from January 1987)
Joanne L. McLaws
J.W. (Bill) McManus
Bartlett B. Rombough
(to January 1987)
Kevin R. Scott
Douglas E. Thomson

College and Community Relations Committee

B. Jean Fraser, Chairman
J.W. (Bill) McManus, Vice-Chairman
Roy V. Deyell, Q.C.
Donald N. Baker
Ralph E. Langemann
Bartlett B. Rombough

Finance and Property Committee

Edward R.R. Carruthers, Chairman
Douglas E. Thomson, Vice-Chairman
Roy V. Deyell, Q.C.
Donald N. Baker
Phyllis M. Laidlow
Joanne L. McLaws
Kevin R. Scott



Roy V. Deyell, Q.C.

B. Jean Fraser

Donald N. Baker

Edward R.R. Carruthers, Q.C.

Phyllis M. Laidlow

Ralph E. Langemann

Joanne L. McLaws

J.W. (Bill) McManus

Bartlett B. Rombough

Kevin R. Scott

Douglas E. Thomson

Donald W. McDonald

UNIVERSITY LIBRARY
UNIVERSITY OF ALBERTA

PRESIDENT'S REPORT

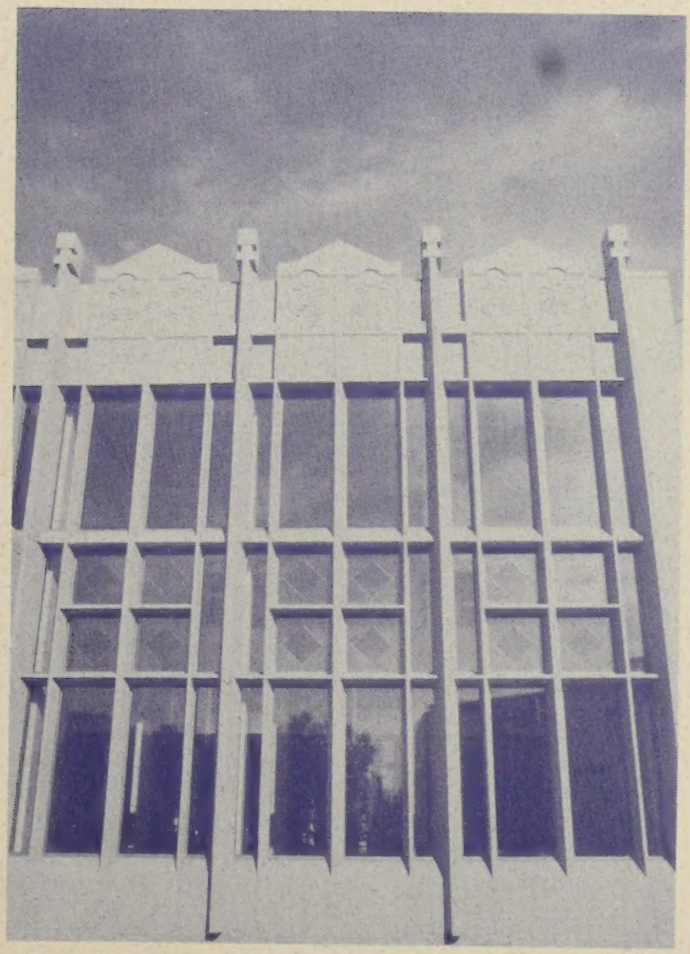
Mount Royal College devoted 1986-87 to building the future— for students, employees and all Calgarians.

As we concluded the College's 75th anniversary celebrations in December 1986, we reflected proudly on the traditions upon which the College was built—a quality academic environment, concern for students, excellent instruction, and community service.

The past year saw the following: rewards, as several new buildings in our facility expansion program were opened; growth, as six new programs were added to the College complement; innovation, as three programs adopted the co-operative education format; challenges, as we worked to prepare for our upcoming role in the 1988 Olympic Winter Games in Calgary.

Throughout the year, Mount Royal College students excelled in the classroom, shone in athletic endeavors and contributed their ideas to the governance of the institution. Students and alumni saw long-time dreams realized when construction of a new student centre began and with the adoption of a Statement of Student Rights and Responsibilities.

Employee accomplishments, individual and collective, were no less impressive, culminating with presentation of the annual Board of Governors awards to distinguished



staff and teachers. We upheld our commitment to enhance employee development and to improve working life at Mount Royal College by continuing a workshop series to promote excellent leadership and by expanding the scope of the Quality of Work Life Committee.

Singling out events of particular note for this report proves to be a difficult task; many developments have transformed the fabric of Mount Royal College.

Enrolment Pressure Continues

Annualized enrolment in credit programs at Mount Royal College totalled 5,010 full-time equivalent (FTE) students, roughly the same as the previous year. The College continued to turn away more prospective full-time students than it accepted as demand surpassed our ability to provide quality educational services.

Registrations in our continuing education courses continued to climb, reaching 22,834 by year's end; registrations in the Conservatory of Music and Speech Arts totalled some 7,624 students.

Building Extends Beyond Campus

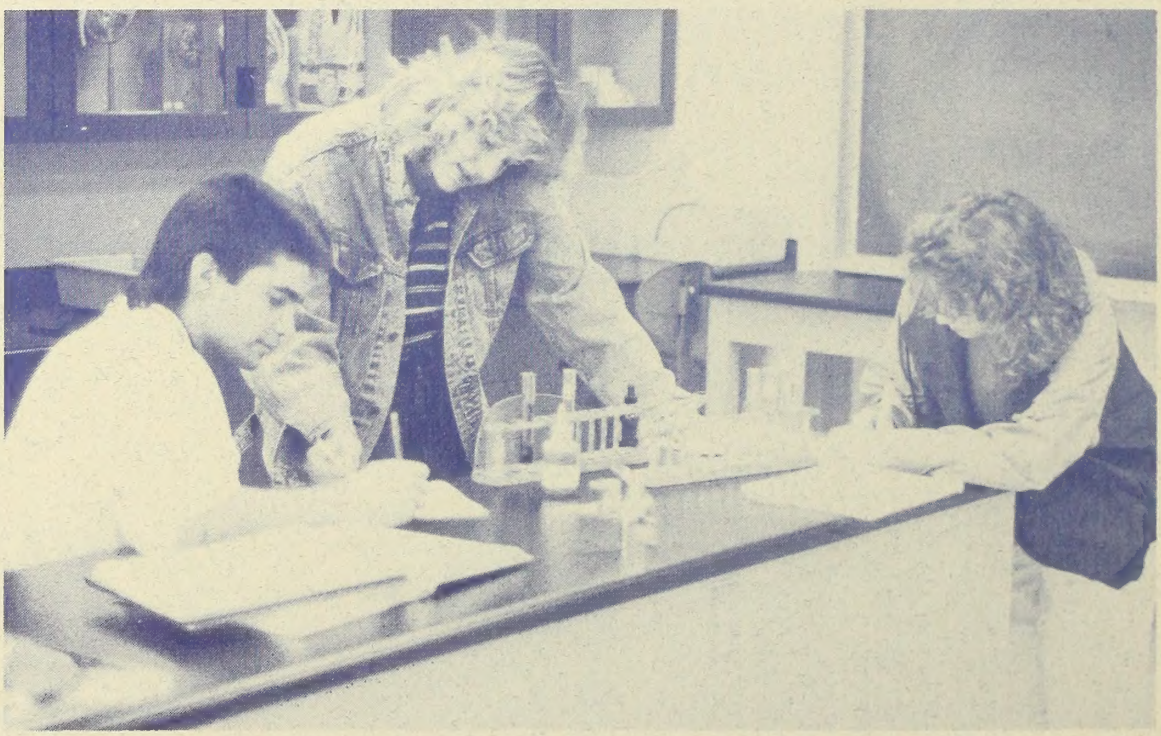
The official opening of the new Arts Building was a highlight of 1986-87. The first of five additions to the campus, the building is an example of what can be accomplished when dedicated people combine their talents. Dave Russell, Deputy Premier and Minister of Advanced Education, opened the building at a ceremony attended by past and present employees, Board of Governors members, students and others who contributed to the success of the project.

Early in 1987, departments throughout the institution began the long series of moves into new quarters as more new buildings were ready for occupancy. Communities within the institution were disrupted and new alignments formed, traffic flows were altered and packing crates in the hallways were the order of the day at the College. A massive interior renovations project began in March.

Also in the spring, construction began on Wyckham House, a landmark for students. The new student centre is named in honor of Robert Wyckham, who in the 1960s was instrumental in guiding the students and in helping to build a financial footing for the project.

While this physical expansion of the Lincoln Park campus remained the most obvious construction undertaking for the College community, Mount Royal College was also hard at work in board and meeting rooms across the city.

Concerned about the lack of access to our southwest Calgary location by people living in the north



east quadrant of the city, we continued discussions with the Calgary Board of Education, pursuing the possibility of a joint facility in the northeast that would give the College a satellite campus. Our ultimate inability to secure government funding for the project forced us to withdraw from the venture, but the College continues to believe that a facility in the northeast sector of the city is needed.

Closer to home, the Centennial Twin Arenas opened to the public on November 15, 1987. Mount Royal College is a partner with some 15 community groups in the construction and management of the new facility. The new arena, boasting Olympic- and municipal-sized ice surfaces, is east of the campus and is the new home of the Cougars hockey team.

In January, the College realized its Olympic legacy and received confirmation that a long-awaited student housing project would proceed. The Government of Alberta agreed to purchase some of the Olympic media housing buildings and to give them to the College for a residence complex; the Alberta Mortgage and Housing Corporation donated 18.17 acres of land east of the campus on which to place the units. The 442-bed, $12 million project is expected to be complete in 1989.

New Programs Approved

The core of Mount Royal College academic offerings was expanded in 1986-87. In May, funding was granted for six new programs:

- Computer Sales and Marketing Diploma

- General Insurance and Business Administration Diploma (Co-operative Education)
- Applied Information Management Certificate
- Gerontology Certificate
- Office Systems Operation and Administration Certificate
- Systems Analysis and Project Management Certificate

The new programs and an expansion of existing offerings will allow the College population to grow by 500 FTE students in the next two years.

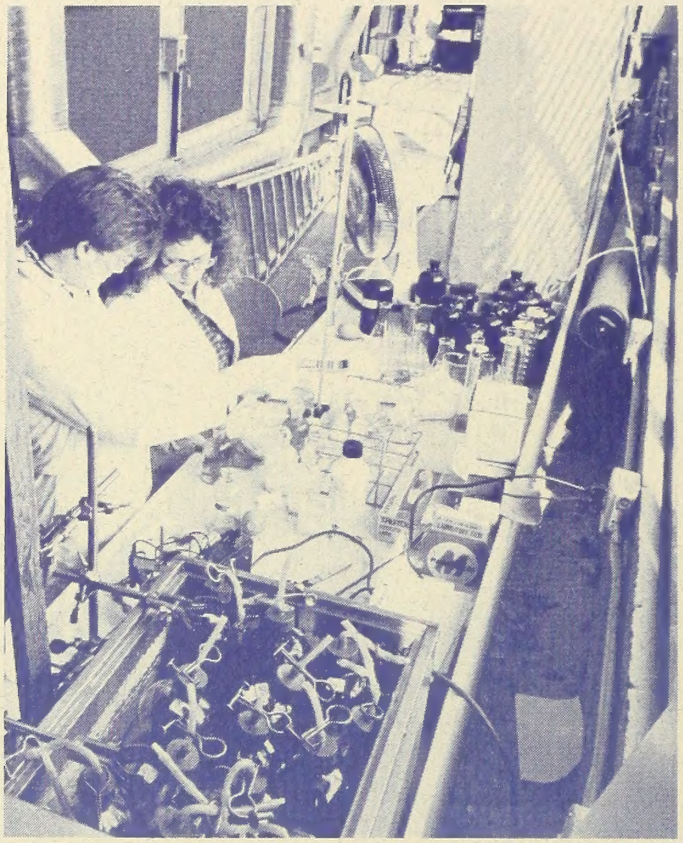
The College also was recognized for its pioneering efforts in introducing co-operative education programming in Alberta, and received federal government grants to extend a co-operative education component to:

- Computer Science and Information Systems Diploma
- General Insurance and Business Administration Diploma
- Public Relations Diploma

The College is committed to this innovative learning method, where students combine in-class study with paid, on-the-job work terms. Responses from students in the Accounting Program, the first College program to go co-op, were encouraging and support from Calgary industry reinforced program strength. When they graduate, these students will have earned diplomas as well as eight months of practical work experience in their area of specialization, a strong advantage when looking for jobs in our competitive economy.

Playbacks, currently under development by the Conservatory of Music and Speech Arts, uses the College's partnership in the Canadian Centre for Learning Systems to develop a unique program combining technology and teaching that eventually will allow students access to the teachings of some of the finest musicians in the world.

Farther from home, Mount Royal



College's Rehabilitation Services Diploma Program was offered in Gaza, as we responded to a request to help train rehabilitation practitioners. The program marks the start of an increasing Mount Royal College presence on the international education scene.

Students Chart Success

From the stage at Carnegie Hall, to mounting an international conference, to starring in the athletic arena, to claiming top class honors, Mount Royal College students chose 1986-87 as the year in which to excel at whatever they did.

One particular achievement was the drafting, and final approval by the Board of Governors, of the Statement of Student Rights and Responsibilities, a document designed to clarify the student's role in the learning process.

To clarify and strengthen the services we provide to our clients, Mount Royal College undertook a Student Reactions to College Survey. The survey identified the institution's strengths and weaknesses and from it we fine-tuned our ongoing efforts to provide the best possible service to students.

In undeniably fine tune were our music students. Again, students in the Academy of Music Program in the Conservatory of Music and Speech Arts dazzled the world with their musical prowess, earning accolades from audiences at Carnegie Hall, the Kennedy Center and overseas.

Employee Environment

In 1986-87, the Quality of Work Life Committee addressed many areas of concern, including:

- Employee Recognition
- Employee Wellness
- Curriculum Approval Process
- Role of MRC News
- Reduction of Paperwork
- Professional Development for Support Staff
- Common Staff Lounges
- Faculty/Staff Exchanges
- Classification System for Support Staff

as well as the delegation of decision making, management training development and the visibility of senior management.

A series of leadership workshops saw top administrators working alongside consultants to improve employee management. Over time, the program will be extended to all employees with supervisory responsibilities. In addition, Mount Royal College worked with the University of Calgary and Southern Alberta Institute of Technology to present the first-ever joint administrative support staff conference, allowing employees from the three institutions an opportunity to develop their professional and personal skills.

In December, the 75th Anniversary Cookbook rolled off the presses. The undertaking was a labor of volunteer love as College cooks shared their culinary secrets to create a commemorative publication. Proceeds from the sale of the book were donated to the College scholarship fund.

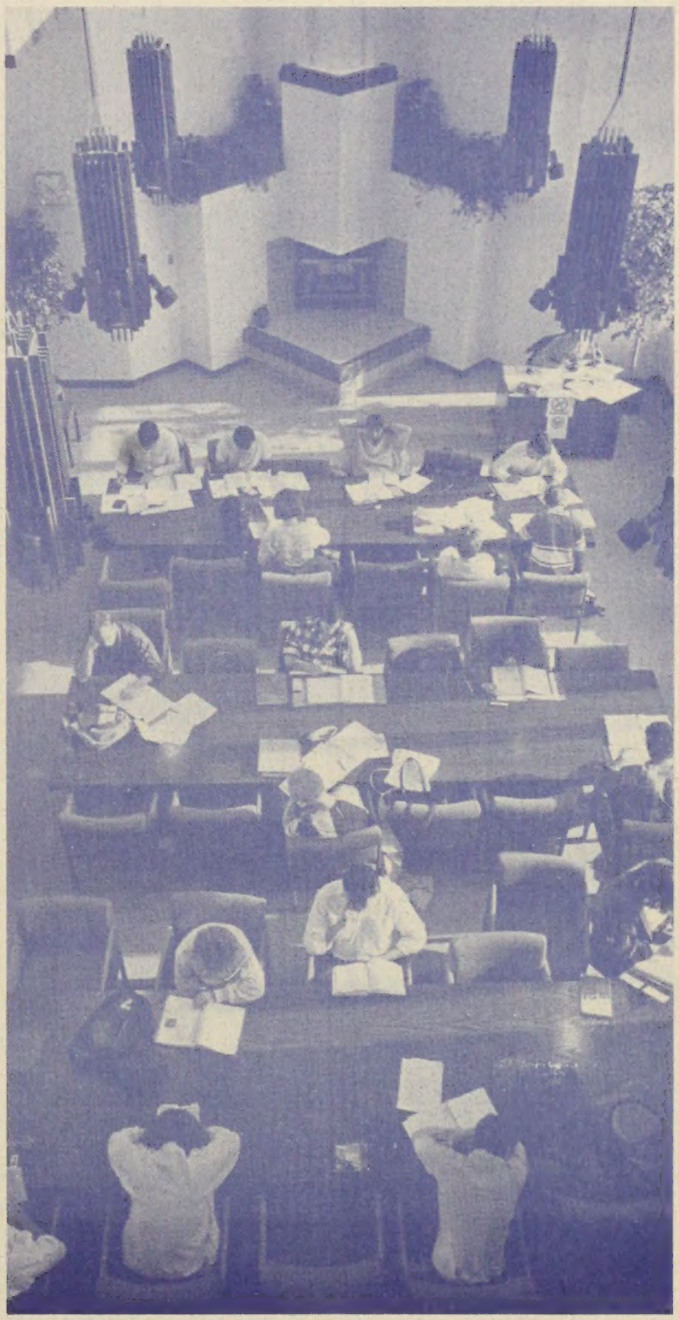
To some, the event which will have the most impact on employees in the coming years is the College's new smoking policy. Following a survey of employees, the Board of Governors announced that, effective August 1, 1987, Mount Royal College will be a smoke-free facility except for designated areas.

Looking to the Future

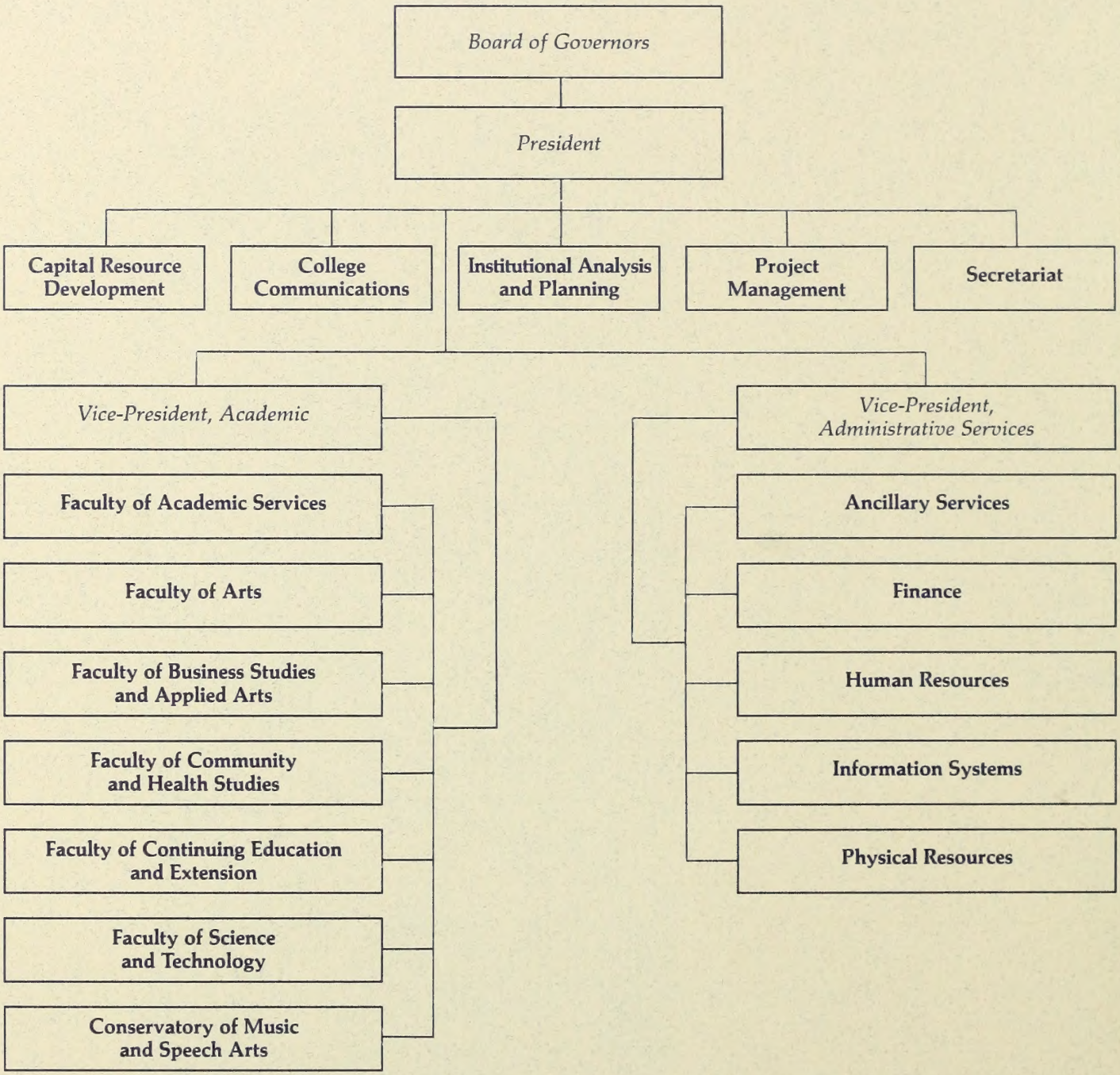
The financial situation of the provincial government over the course of the next year will be a significant factor in Mount Royal College expansion and development. It is clear, given the state of provincial finances, that Mount Royal College, like most other public services, is going to face a period of significant constraint.

Through it all, however, I am optimistic that the governors, administrators, employees and students of Mount Royal College will continue to work together to realize as much of the College's potential as possible to sustain our drive for institutional excellence.

Donald N. Baker
President



Organization Chart June 30, 1987



Financial Statements

Auditor's Report

To the Board of Governors of Mount Royal College

I have examined the statement of financial position of Mount Royal College as at June 30, 1987 and the statements of changes in fund balances, changes in equity in capital assets, reserves and restricted funds for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the College as at June 30, 1987 and the results of its operations and the changes in its financial position for the year then ended in accordance with the disclosed basis of accounting, considered appropriate in the circumstances, as described in Note 2 to the financial statements applied on a basis consistent with that of the preceding year.

Donald D. Salmon
C.A.
Auditor General

Edmonton, Alberta
October 9, 1987

Statement of Financial Position June 30, 1987

	1987	1986
Assets		
Cash	$ 2,136,601	$ 82,716
Accounts receivable	3,952,500	3,953,684
Investments (Note 3)	4,715,489	6,970,732
Loans receivable (Note 4)	83,069	108,828
Inventories (Note 5)	912,503	792,744
Prepaid expenses	889,139	922,146
Capital assets (Note 6)	81,321,375	61,334,925
	$ 94,010,676	**$ 74,165,775**
Liabilities, Equity and Fund Balances		
Accounts payable	$ 3,895,163	$ 5,599,618
Deferred revenue (Note 7)	1,331,951	1,007,110
Long-term debt (Note 8)	133,677	253,081
Funds held on behalf of others	412,686	334,423
	5,773,477	7,194,232
Equity in capital assets	81,187,698	61,081,844
Fund balances		
Operating	561,548	477,036
Capital	1,742,718	2,477,009
Restricted	3,673,804	1,628,468
	5,978,070	4,582,513
Reserves	1,071,431	1,307,186
	7,049,501	5,889,699
	$ 94,010,676	**$ 74,165,775**

The accompanying notes are part of these financial statements.

Statement of Changes in Fund Balances

	Operating	Ancillary Services	Capital	Restricted	Total 1987	Total 1986
Revenue						
Grants, Province of Alberta (Note 9)	$23,455,066	$ -	$18,976,915	$1,510,464	$43,942,445	$34,717,296
Tuition and related fees	6,390,728	-	-	-	6,390,728	5,720,260
Sales of goods and services	933,231	1,845,599	-	-	2,778,830	2,716,785
Donations	136,720	-	72,521	668,672	877,913	1,305,466
Investment income	52,898	-	425,479	147,777	626,154	728,674
Proceeds from disposal of capital assets	-	-	17,872	-	17,872	17,999
	30,968,643	1,845,599	19,492,787	2,326,913	54,633,942	45,206,480
Expenditure						
Instruction	14,282,715	-	-	-	14,282,715	13,228,721
Continuing education	4,686,434	-	-	-	4,686,434	4,348,375
Academic services	3,866,850	-	-	-	3,866,850	3,776,377
Administration	5,382,516	-	-	6,075	5,388,591	5,070,600
Plant operation and maintenance	3,151,498	-	-	-	3,151,498	2,686,847
Cost of sales and services	-	1,595,472	-	-	1,595,472	1,909,967
Purchase of capital assets	-	-	20,227,078	-	20,227,078	15,844,770
Scholarships	-	-	-	275,502	275,502	159,406
	31,370,013	1,595,472	20,227,078	281,577	53,474,140	47,025,063
Excess (Deficiency) of Revenue over Expenditure	(401,370)	250,127	(734,291)	2,045,336	1,159,802	(1,818,583)
Inter-fund transfers	250,127	(250,127)	-	-	-	-
Reserves						
Returned to fund balance	332,462	-	-	-	332,462	212,908
Appropriated from fund balance	(96,707)	-	-	-	(96,707)	(140,561)
Changes in Fund Balances for the Year	84,512	-	(734,291)	2,045,336	1,395,557	(1,746,236)
Fund Balances at Beginning of Year	477,036	-	2,477,009	1,628,468	4,582,513	6,328,749
Fund Balances at End of Year	$ 561,548	$ -	$ 1,742,718	$ 3,673,804	$ 5,978,070	$ 4,582,513

Statement of Changes in Equity in Capital Assets

	1987	1986
Balance at beginning of year	$61,081,844	$53,084,810
Add:		
Purchase of capital assets, including $119,404 increase in equity from reduction of long-term debt (1986 $128,786)	20,227,078	15,844,770
Donations of capital assets	63,071	25,368
	81,371,993	68,954,948
Deduct:		
Disposal of capital assets	184,295	19,909
Write-off of capital assets (Note 6 (b))	-	7,853,195
	184,295	7,873,104
Balance at end of year	$ 81,187,698	$ 61,081,844

Statement of Reserves

	Balance at beginning of Year	Returned to Fund Balance	Appropriated from Fund Balance	Balance at End of Year
Academic program development	$537,595	$ (9,185)	$ -	$528,410
Data base development	202,048	(96,254)	-	105,794
Canadian Centre for Learning Systems	297,337	(155,426)	16,707	158,618
Instructional technology applications	172,069	-	-	172,069
Professional development	98,137	(71,597)	-	26,540
Early retirement	-	-	80,000	80,000
	$1,307,186	$(332,462)	$ 96,707	$1,071,431

Statement of Restricted Funds

	Balance at Beginning of Year	Add Revenue	Deduct Expenditure	Balance at End of Year
Endowments				
Principal				
Academy	$880,600	$113,650	$ -	$944,250
Scholarships	469,443	1,864,437	-	2,333,880
	1,350,043	1,978,087	-	3,328,130
Expendable funds	288,591	338,660	281,577	345,674
	1,638,634	2,316,747	281,577	3,673,804
Association of Canadian Community Colleges	(10,166)	10,166	-	-
	$1,628,468	$2,326,913	$281,577	$3,673,804

Notes to the Financial Statements

Note 1
Authority

Mount Royal College operates under the authority of the Colleges Act, Chapter C-18, Revised Statutes of Alberta 1980, as amended.

Note 2
Summary of Significant Accounting Policies and Reporting Practices

(a) General

These financial statements have been prepared in accordance with generally accepted accounting principles except that capital assets are not depreciated.

(b) Fund Accounting

The accounts of the College are maintained in accordance with the principles of fund accounting.

For financial reporting purposes, accounts with similar characteristics have been combined into the following major fund groupings:

- Operating
- Ancillary Services
- Capital
- Restricted

(c) Inventories

Inventories of merchandise and supplies are valued at the lower of cost or net realizable value.

(d) Capital Assets

Capital assets are recorded at cost except for donated assets which are recorded at fair market value.

Library materials purchased since July 1, 1981 are recorded as capital assets.

(e) Conditional Program Revenue

Conditional program revenue is recognized in amounts equal to related expenditure.

Note 3
Investments

Investments are summarized as follows:

	1987	1986
Short-term deposits	$3,251,280	$6,460,700
Marketable securities - market value $953,490	964,209	-
Investment certificates	500,000	510,032
	$ 4,715,489	$ 6,970,732

Note 4
Loans Receivable

Loans receivable are summarized as follows:

	1987	1986
Non-interest bearing housing loan to an officer of the College	$61,102	$ 76,201
Mount Royal Gym Club, 5% loan, secured by a chattel mortgage	21,967	32,627
	$ 83,069	$108,828

Note 5
Inventories

Inventories are summarized as follows:

	1987	1986
Bookstore	$593,785	$497,542
Maintenance	213,897	217,630
General stores	62,504	40,680
Duplicating	37,657	32,518
Food services	4,660	4,374
	$ 912,503	$ 792,744

Note 6
Capital Assets

(a) Capital assets are summarized as follows:

	1987	1986
Land	$ 1,654,256	$ 1,654,256
Buildings	21,573,898	21,113,644
Furnishings and equipment	12,596,742	11,907,444
Expansion project - construction	40,845,765	23,588,600
- furnishings and equipment	3,218,089	1,701,999
Library materials	1,432,625	1,368,982
	$ 81,321,375	$ 61,334,925

(b) During the previous year the College revised the capitalization criteria for furnishings and equipment in accordance with guidelines of the Department of Advanced Education.

Assets not conforming to the revised criteria and assets disposed of in prior years or considered of no further value or use were deleted from capital asset records, and are disclosed as a deduction on the Statement of Changes in Equity in Capital Assets.

Note 7
Deferred Revenue

Deferred revenue is summarized as follows:

	1987	1986
Tuition fees	$1,156,531	$ 861,994
Conditional program revenue	148,604	36,552
Continuing education	18,536	99,930
Other	8,280	8,634
	$ 1,331,951	$1,007,110

Note 8
Long-term Debt

Long-term debt consists of finance contracts, secured by specific equipment, repayable during the next fiscal year, including principal and interest at 13% to 15.5%.

Note 9
Grants, Province of Alberta

Grants from the Province of Alberta are summarized as follows:

	1987	1986
Operating		
Base grant	$22,729,922	$21,185,087
Conditional grants	573,466	577,530
Further education grants	104,632	181,338
Other grants	47,046	59,777
	23,455,066	22,003,732
Capital		
General capital grants	1,646,915	1,480,055
Expansion project grants	17,330,000	10,100,000
Matching grants	-	989,608
	18,976,915	12,569,663
Restricted		
Endowment matching grants	1,498,466	93,901
Association of Canadian Community Colleges	11,998	50,000
	1,510,464	143,901
Total	$ 43,942,445	$ 34,717,296

Note 10
Capital Commitment

A major expansion of the College, currently under way, is scheduled for completion in 1987-88. The estimated total cost of the project is $71,687,274 and is to be funded by capital grants from the Province of Alberta. Total project expenditures to June 30, 1987 amount to $44,063,854 (1986 $25,290,599).

Note 11
Comparative Figures

The 1986 figures have been reclassified where necessary to conform to 1987 presentation.

Note 12
Approval of Financial Statements

These financial statements were approved by management.

GOV DOC CA2 AL AEM180 A56
1986/1987
MOUNT ROYAL COLLEGE
ANNUAL REPORT/
SERIAL M2 40150354 GOV PUB

00003773765 7

DATE DUE SLIP

F255

published by:
Public Relations and Information Services
Mount Royal College
4825 Richard Road S.W.
Calgary, Alberta
T3E 6K6
(403) 240-6359
Editor: C. Nickel
Printed by Mount Royal College Printing Services

Calgary's Community College